



Melton  
Borough  
Council

## Audit & Standards Committee

11<sup>th</sup> June 2019

Report of: Head of Internal Audit

### INTERNAL AUDIT CHARTER AND STRATEGY

#### 1.0 Summary:

1.1 To provide Members with a copy of the Internal Audit Charter and Strategy for annual review and approval.

#### 2.0 Recommendations

2.1 That Members review and approve the Internal Audit Charter and Strategy.

#### 3.0 Report Detail

3.1 The Public Sector Internal Audit Standards define the internal audit charter as 'a formal document that defines the internal audit activity's purpose, authority and responsibility. The internal audit charter establishes the internal audit activity's position within the organisation, including the nature of the chief audit executive's functional reporting relationship with the board; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities'.

3.2 Since 1<sup>st</sup> April 2017, the Council's Internal Audit service has been formally delegated to LGSS. As such, at that point the Head of Internal Audit reviewed the Internal Audit Charter and Strategy, and updated this to reflect best practice and the standard approach adopted across the LGSS client base. This was formally approved by the Committee in June 2017 and has since been subject to annual review, in line with best practice.

3.3 No material amendments to the Charter are proposed for 2019/20. The only amendments are as follows:

- To amend any references to Strategic Management Team (SMT) to Senior Leadership Team (SLT), to reflect the latest management structure; and
- To amend any references to the Governance Committee exercising the role of the 'Board' or 'Audit Committee' to the Audit and Standards Committee, in line with the revised committee structure and terms of reference.

#### 4.0 Consultation and Feedback (including Scrutiny Committee)

4.1 Not applicable.

<b>5.0 Next Steps</b>
5.1 If approved, the Internal Audit plan for 2019/20 will be delivered in accordance with the Charter and Strategy.

<b>6.0 Financial Implications</b>
6.1 There are no financial or other resource implications arising directly from this report.

<b>7.0 Legal and Governance Implications:</b>
7.1 There are no legal implications arising directly from this report.

<b>8.0 Equality and Safeguarding Implications:</b>
8.1 There are no equalities or safeguarding implications arising directly from this report.

<b>9.0 Community Safety Implications:</b>
9.1 There are no community safety implications arising directly from this report.

<b>10.0 Other Implications</b>
10.1 There are no other implications arising directly from this report.

<b>11.0 Risk &amp; Mitigation:</b>
11.1 In delivering its services, an effective Internal Audit team should help the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

<b>Background Papers:</b>
Not applicable.

<b>Appendices</b>
Appendix 1: Internal Audit Charter and Strategy

<b>Report Timeline:</b>						
<table border="1"> <tr> <td><b>Equalities Check &amp; Challenge</b></td> </tr> <tr> <td><b>SLT Sign off</b></td> </tr> <tr> <td><b>Previously Considered by Cabinet</b></td> </tr> <tr> <td><b>Director Approval</b></td> </tr> <tr> <td><b>Chief Finance Officer Sign Off</b></td> </tr> <tr> <td><b>Monitoring Officer Sign Off</b></td> </tr> </table>	<b>Equalities Check &amp; Challenge</b>	<b>SLT Sign off</b>	<b>Previously Considered by Cabinet</b>	<b>Director Approval</b>	<b>Chief Finance Officer Sign Off</b>	<b>Monitoring Officer Sign Off</b>
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<b>Exempt Reports</b>
<b>Date of Review to make public (Exempt Reports only)</b>
<b>Report Author &amp; Job Title</b>
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